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MULTIPLE USE DEPTH CHART AND TABLE

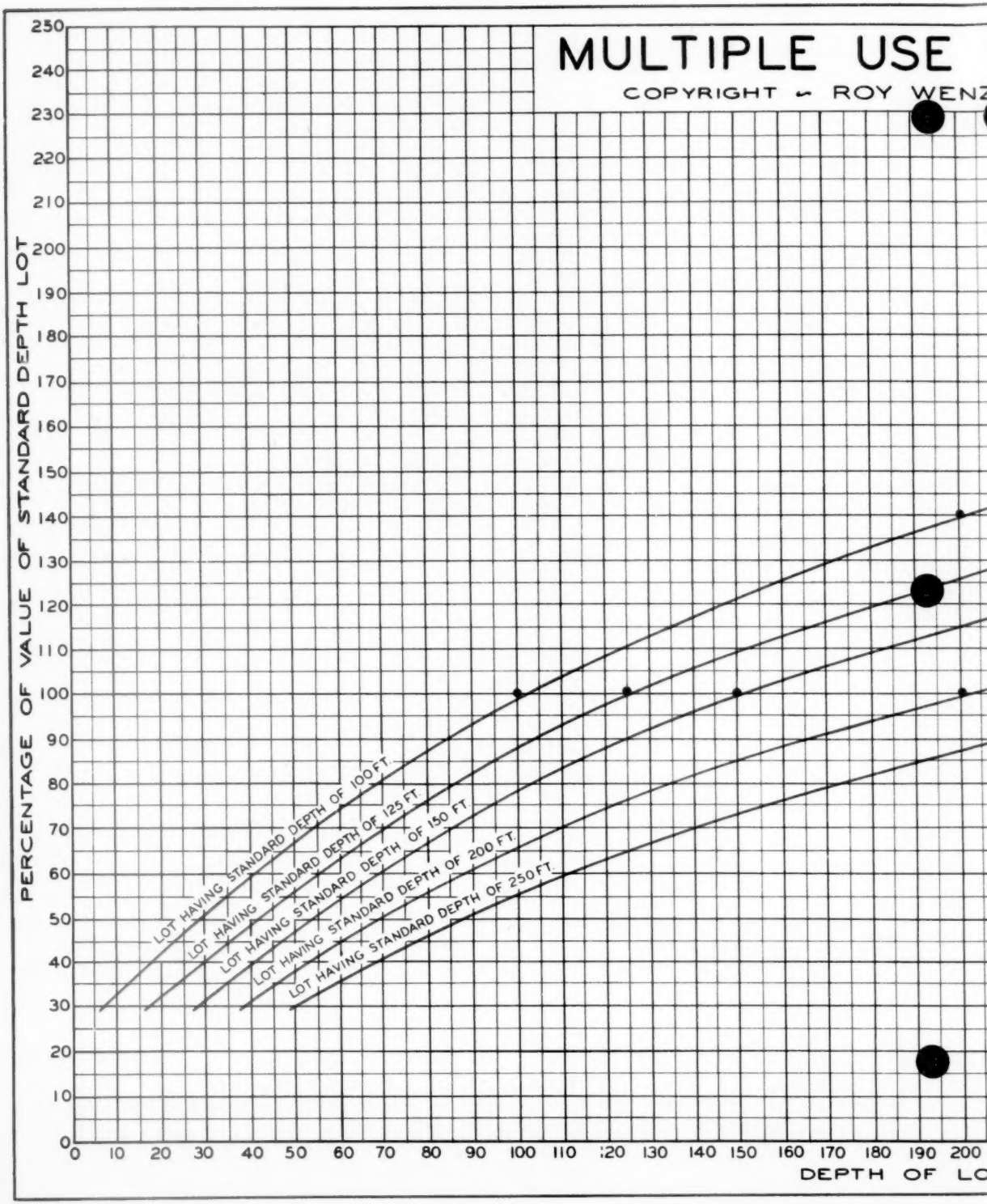
THE development of appraisal techniques and procedures has been greatly facilitated by the use of certain guides and bench marks. Among these are unit cost data, depreciation tables, capitalization rates and depth tables. Without these very useful markers the sound and seasoned judgment of appraisers would find it difficult to steer a true course.

The development of depth tables has been most interesting, probably beginning with the old 4-3-2-1 method over 100 years ago. Since that time various appraisers and valuation experts have evolved many other methods. The use of depth tables has been scorned by many appraisers on the basis that they represented opinion only and were not subject to measurement by known data. While it is true that depth tables cannot be scientifically substantiated, we think that that is a poor reason for ignoring them altogether. After all, no one has ever devised a scientific method for measuring depreciation - yet it takes place, and some depreciation table or curve must be used by all appraisers.

In preparing the following depth chart and depth table we have used what we believe to be a new approach. We have based our estimates on standard lots of different depths. In most neighborhoods there is a "standard" depth of the lots. In some, this "standard" depth is 100 feet, in others 150 feet, and in neighborhoods with large deep lots, the "standard" depth may be 200 feet or deeper. It seems obvious that "standard" lots of 150 to 200 feet deep should not be evaluated by a depth table with a standard depth of 100 feet. If most lots in a neighborhood are 200 feet deep, and one happens to measure 250 feet, this deeper lot should be appreciated on the margin whereby it exceeds the depth of the neighborhood "standard" (200 feet) rather than by its margin over the 100-foot lot. In other words, the added value is by virtue of the extra 50 feet and not on an "extra" 150 feet.

As another example, suppose an appraisal was being made on a lot 110 feet deep. This lot is located in a neighborhood of predominantly 150-foot lots. The value per front foot on the 150-foot lots is known. The value of a 100-foot lot in a similar neighborhood is also known. Instead of taking the value of the 100-foot lot in the other neighborhood and adding to it for the additional 10 feet to find the value of the 110-foot lot, this value should be found by subtracting from the value of the 150-foot lot.

In order to use the depth chart, first determine the standard depth lot for the neighborhood and the improvement. Then locate the depth of the lot under appraisal on the lower scale of the chart. Follow a vertical line up from this point until it intersects the curved line representing the standard depth already determined.


MULTIPLE USE
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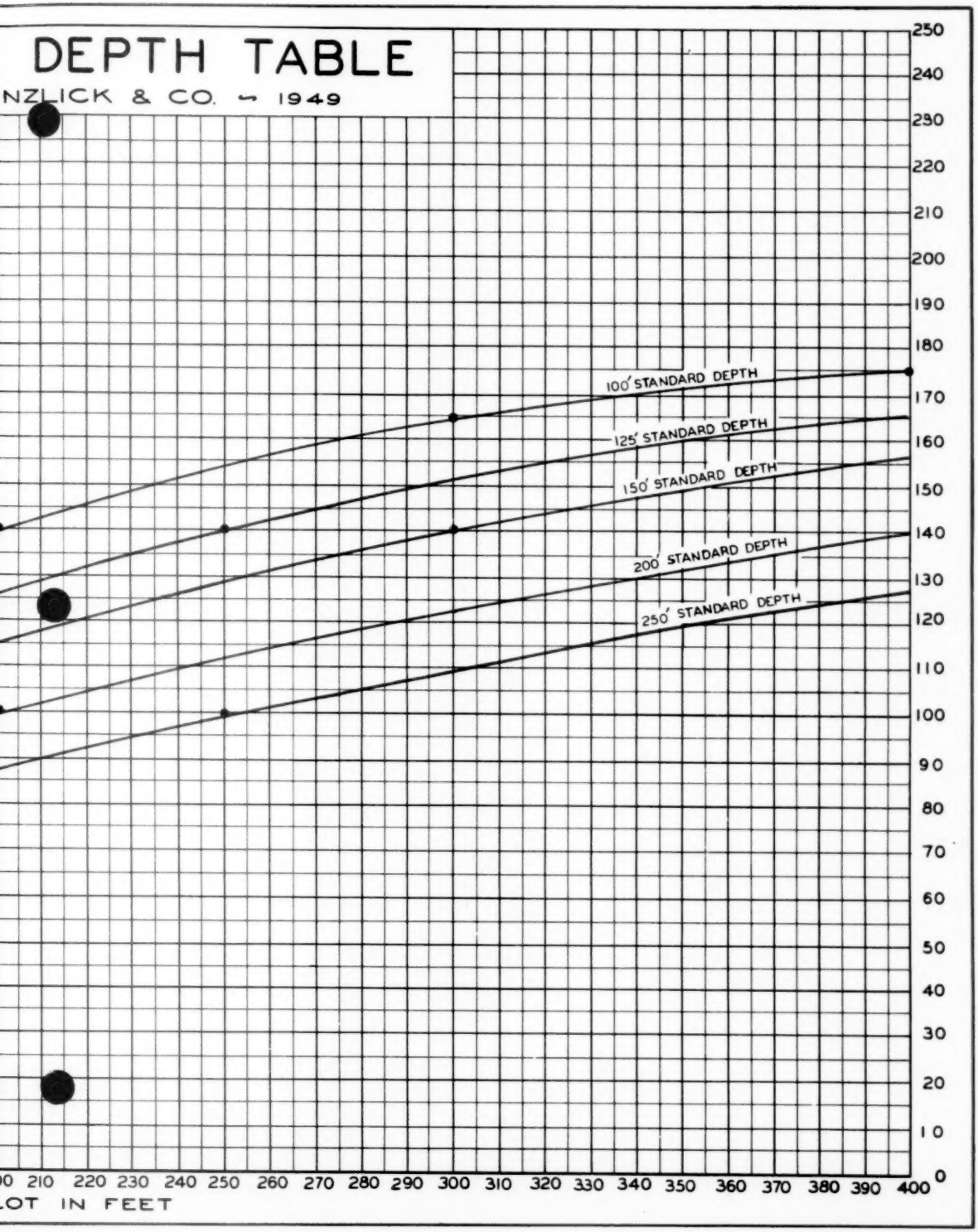
PERCENTAGE OF VALUE OF STANDARD DEPTH LOT
DEPTH OF LO
LOT HAVING STANDARD DEPTH OF 100 FT.
LOT HAVING STANDARD DEPTH OF 125 FT.
LOT HAVING STANDARD DEPTH OF 150 FT.
LOT HAVING STANDARD DEPTH OF 200 FT.
LOT HAVING STANDARD DEPTH OF 250 FT.
0 10 20 30 40 50 60 70 80 90 100 110 120 130 140 150 160 170 180 190 200
0 10 20 30 40 50 60 70 80 90 100 110 120 130 140 150 160 170 180 190 200 210 220 230 240 250


DEPTH TABLE
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100' STANDARD DEPTH
125' STANDARD DEPTH
150' STANDARD DEPTH
200' STANDARD DEPTH
250' STANDARD DEPTH
250
240
230
220
210
200
190
180
170
160
150
140
130
120
110
100
90
80
70
60
50
40
30
20
10
0
00 210 220 230 240 250 260 270 280 290 300 310 320 330 340 350 360 370 380 390 400
LOT IN FEET

DEPTH TABLE

(Percentages taken from depth chart on preceding pages.) Depth of lot to be appraised	Standard Depth				
	100 ft.	125 ft.	150 ft.	200 ft.	250 ft.
10′	34%	-	-	-	-
20′	44	34%	-	-	-
30′	52	41	33%	-	-
40′	61	50	41	32%	-
50′	68	57	48	39	31%
60′	75	65	56	46	37
70′	82	71	62	52	42
80′	88	77	68	57	47
90′	94	83	74	62	52
100′	100	89	79	67	57
110′	105	94	84	71	60
120′	109	98	89	75	64
130′	113	103	93	79	68
140′	118	106	97	83	71
150′	122	110	100	86	74
160′	126	114	104	89	77
170′	130	117	107	92	80
180′	134	120	110	94	83
190′	137	123	113	97	85
200′	140	126	116	100	88
225′	147	134	123	107	94
250′	154	140	129	112	100
275′	160	146	136	118	105
300′	164	152	140	123	110
325′	168	156	145	128	115
350′	172	160	148	132	120
375′	174	163	153	136	123
400′	175	166	157	140	127

From the point where these two lines intersect, move horizontally to the percentage scale on the left of the chart. The reading on this scale will give you the percent of standard lot value to apply to the lot being appraised. To illustrate: assume that the standard lots in the neighborhood are 150 feet deep and sell for $40 a front foot. The lot to be appraised is 100 feet deep. From the lower scale project a vertical line until it meets the 150-foot "standard depth" line. From this point move horizontally to the percentage scale on the left. This scale shows that the adjustment should be 80%. By applying this percentage to the $40 per front foot (price of the 150-foot lots) the value of the shorter lot is found. (80% x $40 = $32 per front foot for this 100-foot deep lot.)

The table at the left was compiled by taking selected depths from the chart and showing the percentage adjustment that applies to them when various depth lots are used as "standard."